GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1838
ANSWERED ON:03.08.2000
REQUESTS FROM KERALA GOVERNMENT FOR KEROSENE
GULAM MEHMOOD BANATWALLA;T. GOVINDAN;V.S. SIVAKUMAR

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government have received request from the Government of Kerala to reconsider the increase in price of Kerosene and to increase the quota to the State of Kerala; and

(b) if so, the reaction of the Government thereon?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a): Yes, Sir.

(b): The Government had decided in November, 1997 that the subsidy on PDS Kerosene will be reduced in phases to reach the level of 33.33% of the import parity price by 2001-02 and the subsidy will be transferred to the fiscal budget from the year 2002 onward. Accordingly, the ex-storage point price of PDS Kerosene was revised from Rs.2.00 per litre to Rs.4.50 per litre with effect from midnight of 22nd - 23rd March, 2000. The retail selling prices of SKO (PDS) are fixed by the respective State Governments.

Kerosene is a deficit product. The annual allocation of kerosene to the State of Kerala has since been increased from 3,88,171Kilo litre for the year 1999-2000 to 3,97,257 Kilo litre for the year 2000-01.